



ALTA Grassroots Update - May 12, 2009



To: Grassroots Activists
From: ALTA Grassroots Action Center
Date: May 12, 2009
Subject: ALTA Grassroots Update

In follow up to last week's report, the Mortgage Reform and Anti-Predatory Lending Act - HR 1728 passed the House last week by a vote of [300 - 114](#) and includes an ALTA-backed requirement that HUD halt implementation of the RESPA rule and work with the Federal Reserve Board to issue joint, cooperative RESPA and Truth in Lending (TILA) rules.

The RESPA portion of the bill is very narrow and would only apply to the GFE and HUD-1. Whether the bill is signed into law or not, all other parts of RESPA not relating to the GFE and HUD-1 will still go into effect on January 1, 2010.

People should expect that the new GFE and HUD-1 will not be eliminated, only potentially changed. Opening up the rule like this creates an opportunity, but there is also the possibility of unintended consequences in reopening the rule, especially since the focus is expected to be on TILA. ALTA is aware of all of this and watching it closely every day. The RESPA Implementation Taskforce continues to work on guidance for its members on RESPA implementation. In short, we should hope for the best, but prepare for the worst. Through all of it, we will keep you updated.

ALTA had been working with Representatives to include in the bill a Borrower Right of Inspection provision, which would strengthen requirements that lenders provide settlement services providers with information to complete the HUD-1 Settlement Statement in time for borrowers to review their documents 24 hours before their closing. An attempt to include an amendment to HR 1728 was not successful, but we are optimistic about the prospects of another chance at including this in future legislation and are working with stakeholders to make this happen. We'll keep you posted. Thanks for the quick work of our title industry friends in North Carolina who quickly mobilized to show Rep. Mel Watt (D-NC) the importance of this concept for the title industry and borrowers.

ALTA met last week with Reps. Melissa Bean (D-IL), Jim Himes (D-CT), Andre Carson (D-IN), Bill Posey (R-FL), Kevin McCarthy (R-CA), Scott Garrett (R-NJ), Spencer Bachus (R-AL), Randy Neugebauer (R-TX) and Sen. Richard Shelby (R-AL).

We want to give another shout out and thank you to The Fund's Chuck Kovaleski who published another column in The Destin Log with his expert advice for consumers about [mortgage modifications and refinances](#). Thanks, Chuck, for being a public face for the title industry in your community. Although [this Indianapolis Star article](#) didn't come from an ALTA member, it does all of us a great service in explaining what the title industry does to help consumers. More of us should step up and do the same public outreach in our communities too.

If you have questions, please contact ALTA Director of Government Affairs Justin Ailes at 202.261.2937 or jailes@alta.org.